

Agenda Report

February 29, 2016

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: AUTHORIZE PURCHASE ORDER WITH MAR-CO EQUIPMENT COMPANY FOR PURCHASE OF TWO REPLACEMENT COMPRESSED NATURAL GAS STREET SWEEPERS FOR AN AMOUNT NOT TO EXCEED \$618,658

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Grant an exemption for this contract pursuant to PMC 4.08.049(B) where the best interests of the City are served by a direct award of a contract without competitive selection process. This contract is exempt from competitive bidding pursuant to the City Charter 1002 (H), contracts with other governmental entities or their contractors for labor, material, supplies or services; and
3. Authorize the issuance of a purchase order with MAR-CO Equipment Company for an amount not to exceed \$618,658 for the purchase of two TYMCO compressed natural gas (CNG) street sweeper vehicles.

BACKGROUND:

The Department of Public Works, Street Maintenance and Integrated Waste Management (SWIWM) Division needs to replace two street sweepers (equipment #1650 and #1958). The first is a 16-year old vehicle with 62,530 miles. The second is a 12-year old vehicle with 86,925 miles. Both vehicles have exceeded their useful life. Upon delivery of the replacement sweepers, the two old street sweepers will be sent to auction per City policy. The estimated salvage value of \$4,000 will be returned to the Refuse Collection Fund. Attachment A contains the vehicle condition reports.

The City requires street sweepers that are durable, efficient and reliable. The proposed TYMCO 600 model is a regenerative-air street sweeper that is versatile and works in

both commercial and residential areas. This model operates quietly, which is ideal for cleaning streets in areas of the City that are sensitive to sound. The Department of Public Works currently uses two TYMCO 600 models. These replacement sweepers include a 12 month or 1,000 hour warranty (parts and labor). Additionally, the CNG engine is protected by a manufacturer's warranty for a period of three years or 2,500 hours (parts and labor). MAR-CO Equipment Company provides an additional year to this warranty, for a total CNG engine warranty (parts/labor) of four years or 3,500 hours. MAR-CO will deliver the vehicles within 150 days after the receipt of the order.

The City of Brawley, California recently completed a competitive bidding process for the purchase of one CNG street sweeper. As a result of that process, a purchase order was issued (No. 00001725 dated March 11, 2015) to MAR-CO Equipment Company for the purchase of one TYMCO Model 600 at a retail price of \$283,788. MAR-CO has offered to extend this contract price to the City of Pasadena for two TYMCO Model 600s. The full purchase price to the City including applicable sales tax is \$309,329 per vehicle, for a total of \$618,658. Purchasing the requested vehicles from MAR-CO Equipment Company is in the City's best interest as it reduces the amount of time required to take delivery of new equipment, eliminates the need to prepare bid specifications, review proposals, and award a competitive bid.

COUNCIL POLICY CONSIDERATION:

This purchase is consistent with the City Council's goals to increase conservation and sustainability, maintain fiscal responsibility and stability, and ensure public safety. Additionally, this purchase complies with United Nations Urban Environmental Accords Action 14, purchase of advanced emission controls on all public fleets to reduce particulate matter and smog-forming emissions by 50 percent by the year 2012.

ENVIRONMENTAL IMPACT:

This purchase complies with all South Coast Air Quality Management District rules and regulations for engine emissions and clean air standards in the South Coast Air Basin.

FISCAL IMPACT:

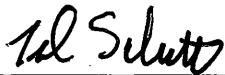
The cost of this action is \$618,658. Funding will be addressed by the utilization of existing budgeted appropriations from the Refuse Collection Fund (budget account 40622027-850500). It is anticipated that the entire cost will be spent during the current fiscal year. Indirect and support costs such as maintenance and repair are anticipated to be \$200,000 per vehicle over the lifecycle of the vehicles and will be addressed annually by utilization of existing budgeted appropriations in the Public Works operating budget account 40622027-861600.

Respectfully submitted,



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Director of Public Works

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Approved by:



STEVE MERMELL
Interim City Manager

Attachment A – Vehicle Condition Report